R E P O R T  R E S U M E S

ED 012 875 AC 001 379

TRAINING IN SERVICE OCCUPATIONS UNDER THE MANPOWER DEVELOPMENT AND TRAINING ACT.

BY- NISHNUN, FLORENCE DELEHANTY, JOHN
MANPOWER ADMINISTRATION (DOL), WASHINGTON, D.C.

REPORT NUMBER BULL-9 PUB DATE MAR 66
EDRS PRICE MF-$0.25 HC-$0.80 20P.

DESCRIPTORS- *SERVICE OCCUPATIONS, *TRAINING TECHNIQUES, *SERVICE EDUCATION, *PARTICIPANT CHARACTERISTICS, *EMPLOYMENT OPPORTUNITIES, FEDERAL PROGRAMS, EMPLOYMENT PATTERNS, FEMALES, RACE, WAGES, EDUCATIONAL BACKGROUND, UNEMPLOYMENT, ENROLLMENT, OCCUPATIONS, EMPLOYMENT TRENDS, JOB PLACEMENT, VOCATIONAL RETRAINING, ON THE JOB TRAINING, STATISTICAL DATA, MANPOWER DEVELOPMENT AND TRAINING ACT,

DURING THE PERIOD AUGUST 1962-MAY 1965, ABOUT 65,000 PERSONS RECEIVED TRAINING IN SERVICE AND RELATED OCCUPATIONS UNDER THE MANPOWER DEVELOPMENT AND TRAINING ACT (MDTA). MOST PREPARED FOR SPECIFIC OCCUPATIONS. ALTHOUGH MANY OTHERS RECEIVED TESTING, COUNSELING, LITERACY TRAINING, AND OTHER SERVICES THROUGH MULTI-OCCUPATIONAL PROJECTS. OVER HALF THE TRAINEES HAD NOT COMPLETED HIGH SCHOOL, MOST (88.5 PERCENT) WERE UNDER 45, AND A THIRD WERE NONWHITE. ABOUT 60 PERCENT WERE MEN, LARGELY TRAINEES IN AUTOMOTIVE SERVICE AND APPLIANCE SERVICING AND REPAIR. ABOUT TWO-THIRDS OF THE WOMEN WERE IN LICENSED PRACTICAL NURSING OR HOSPITAL ATTENDANT COURSES. OVER 40 PERCENT OF TRAINEES HAD BEEN UNEMPLOYED 15 WEEKS OR LONGER. OF THOSE COMPLETING TRAINING THROUGH MAY 1965, 73 PERCENT FOUND EMPLOYMENT, LARGELY IN TRAINING-RELATED OCCUPATIONS AND AT HIGHER WAGES THAN BEFORE TRAINING. MOREOVER, TRAINING PERIODS WERE SHORT AND CONSEQUENT STUDENT COSTS RELATIVELY MODEST. TRAINEE ENROLLMENTS HAVE INCREASED SINCE FEBRUARY 1965, AND IMPORTANT NEW CONTRACTS HAVE BEEN NEGOTIATED FOR PILOT PROJECTS AND ON THE JOB TRAINING. (THE DOCUMENT INCLUDES FOUR TABLES AND A CHART.) (LY)

manpower research

BULLETIN
NUMBER 9
MARCH 1966

ED012875

# Training in Service Occupations

*Under the*

## *Manpower Development and Training Act*

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
OFFICE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL OFFICE OF EDUCATION POSITION OR POLICY.

AC001 379

U.S. DEPARTMENT OF LABOR: W. WILLARD WIRTZ, Secretary
MANPOWER ADMINISTRATION

# OTHER MANPOWER RESEARCH BULLETINS

**Mobility and Worker Adaption to Economic Change in the United States** (No. 1, Revised 1963)

**Manpower and Training—Trends, Outlook, Programs** (No. 2, 1963)

**Young Workers: Their Special Training Needs** (No. 3, 1963)

**Selected Manpower Indicators for States** (No. 4, 1963)

**Family Breadwinners: Their Special Training Needs** (No. 5, 1964)

**The Mentally Retarded: Their Special Training Needs** (No. 6, 1964)

**Training Foreign Nationals For Employment With U.S. Companies In Developing Countries—Implications for Domestic Programs** (No. 7, 1965)

**Training Needs in Correctional Institutions** (No. 8, 1966)

MANPOWER ADMINISTRATION
Office of Manpower Policy, Evaluation, and Research

# Training in

# Service Occupations

*Under the*

## *Manpower Development and Training Act*

U.S. DEPARTMENT OF LABOR: W. WILLARD WIRTZ, Secretary
MANPOWER ADMINISTRATION

# PREFACE

The Secretary of Labor is required, under the Manpower Development and Training Act of 1962, to develop information on the country's manpower situation. This report on training in service occupations is published in keeping with this responsibilty.

Jobs in service occupations have been—and will continue to be—a significant source of employment growth. Many service jobs offer opportunities to those workers most vulnerable to unemployment—the least educated, the inexperienced, the culturally deprived, and those otherwise at a disadvantage in the job market. For these reasons, training for service occupations has been a vital and growing element in activities under the Manpower Development and Training Act. Such training has taken new directions and has assumed still greater importance since President Johnson launched a nationwide Job Development Program in February 1965.

This bulletin reviews employment trends and the status of MDTA training for service occupations. The report was prepared in the Division of Manpower Reports, Office of Manpower Policy, Evaluation, and Research by Florence Mishnun and John Delehanty assisted by Shirley Greenspan.

# CONTENTS


| | Page |
|---|---|
| INTRODUCTION | 1 |
| MDTA TRAINING IN SERVICE OCCUPATIONS | 3 |
| INSTITUTIONAL TRAINING | 3 |
| Profile of MDTA Service Trainees | 5 |
| The Benefits of Service Training | 8 |
| ON-THE-JOB TRAINING | 9 |
| RELATED APPROACHES TO SERVICE JOB DEVELOPMENT | 10 |
| FUTURE DEMAND FOR SERVICE WORKERS | 11 |
| CONCLUSIONS | 12 |

# INTRODUCTION

When President Johnson announced his Job Development Program on February 1, 1965, he pointed to the paradox of the existence of millions of unemployed men and women simultaneous with shortages of hospital workers, repair personnel, and domestic help.[1] The President called for the development of 10,000 jobs per month, and a continuing program to capitalize on the employment potential of the anticipated further growth in consumer demand for services. The President's program is designed to develop jobs in service and related occupations through efforts to: (a) determine the unmet needs for workers and encourage the creation of additional job opportunities to meet those needs; (b) develop managerial skills in the service industries; (c) equip workers with needed occupational skills through appropriate training, and; (d) facilitate the placement of unemployed and underemployed workers in unfilled jobs.

To broaden and strengthen training activities under the Manpower Development and Training Act as a basis for his Job Development Program, the President proposed amendments to the act soon after he announced the program. Consistent with the President's proposals, the April 1965 amendments to the act include a section stating:

> *The Secretary of Labor shall stimulate and assist, in cooperation with interested agencies both public and private, job development programs, through on-the-job training and other suitable methods, that will serve to expand employment by the filling of those service and related needs which are not now being met because of lack of trained workers or other reasons affecting employment or opportunities for employment.*[2]

Training in occupations oriented to "service and related needs" (called service occupations[3] in this bulletin) has been emphasized in MDTA activities since the program was initiated in August 1962. Enrollees in service training projects constituted almost 30 percent of all MDTA enrollees through May 1965, and a great majority of those who finished their training were subsequently employed, primarily in work related to their training. The proportion of service trainees under the MDTA was higher than the service workers' share of total employment in the economy.

The emphasis on service training stems partly from the MDTA requirement that training must be oriented toward recognized employment opportunities, so that MDTA projects are established in response to the need for labor in particular localities. In these and other localities, widespread demand for service workers is evident.

Nationally, employment in service occupations has increased at a much faster rate than total employment and has exceeded the rate for any other occupational category except professional and technical jobs. As of 1964, the occupations included in this bulletin provided employment for more than 11 million workers. This represents an overall expansion of about 50 percent since 1947, and in some service occupations, employment has expanded as much as 80 percent. Most of this growth occurred outside of private household employment, which failed to increase at all after 1960. Currently, almost half of the service workers, other than those employed in private households, are employed in industries which provide personal, professional, and business services. The remainder

[1] See White House press statement of February 1, 1965.

[2] Sec. 103, Public Law 89-15.

[3] In this bulletin, the term "service occupations" includes some occupations which are not customarily so classified, chiefly occupations related to the servicing and maintenance of consumer goods. These were added because they involve the provision of services similar to those performed by householders themselves or by workers in the customary service occupations. The chief additional occupations are auto parker, auto mechanic, service station attendant, shoe repairman, laundry and dry cleaning operative, gardener, radio and TV serviceman, and household appliance serviceman. The traditional occupations include domestic workers and workers outside private households providing a range of personal, custodial, or protective services. The occupations covered in this bulletin represent a large proportion of those included under the Job Development Program as now constituted.

are concentrated in retail trade, government, and manufacturing.

The MDTA training program is also shaped by the trainees' background. Substantial proportions of trainees have comparatively little education, lack experience, are members of culturally deprived groups, or have other disadvantages in finding employment. Many require literacy training prior to specific job training. These characteristics or needs limit the occupations for which such enrollees can acquire the requisite skills within the statuatory training allowance period.[4] Service occupations, which generally require relatively short periods of training, offer a fruitful area of training for such workers.

The educational level of service workers is significantly below that of workers in general; in March 1964, the median number of years of school completed was 10.5 for service workers [5] and 12.2 for all employed workers. The service worker category also includes a much higher proportion of teenagers and a significantly higher proportion of workers age 45 and over. This concentration is significant in view of imminent increases in the numbers of workers in these age groups. Similarly, women, who are expected to account for 45 percent of the labor force growth in the next decade, constitute roughly half of all service workers in contrast to a third of total employment. Finally, a fourth of all nonwhite workers are employed in service occupations although these occupations account for only one-sixth of total employment.

MDTA training in the service occupations has by no means been limited to disadvantaged workers and to preparation for jobs with comparatively low skill levels. More than half of the trainees for service jobs, through May 1965, were between the ages of 22 and 44 and over two-fifths had at least completed high school. Two-thirds were white and almost three-fifths were men. Thousands of workers have been trained for employment as automobile mechanics and auto-body repairmen, and as servicemen and repairmen for household appliances and electrical equipment. While these trainees could not achieve journeyman competence in a fairly brief training course, they were qualified for entry level jobs in occupations for which trained workers are in great demand and given a sound basis for perfecting their skills on the job.

Since February 1965, MDTA training for service occupations has taken new directions and assumed greater importance. The number of trainees enrolled in service occupations has increased. Important new contracts involving service jobs have been negotiated for on-the-job training and experimental and demonstration projects. Experimental and demonstration projects designed to show how individuals with particularly difficult problems can be successfully trained and utilized in gainful employment have now been expanded to make possible new insights into some of the more intractable problems of job development for disadvantaged workers. The Department of Labor has also sought other means of increasing job opportunities, especially in service employment, as have the other agencies and offices which participate in the Job Development Program.

The workers this may affect may visit the local office of their State Employment Service, affiliated with the U.S. Employment Service of the U.S Department of Labor, to obtain detailed information about local training programs. These offices are responsible for selection, counseling, and placement, as well as for payment of allowances.

---

[4] The 1965 amendments to the MDTA increased the period within which training allowances can be paid to 104 weeks. Prior to this, the maximum was 72 weeks including up to 20 weeks of allowances to make possible basic educational or prevocational training for those who needed it to qualify for vocational courses.

[5] *Educational Attainment of Workers, March 1964* (Washington: U.S. Department of Labor, Bureau of Labor Statistics, 1965), Special Labor Force Report 53. This figure is for traditional service workers only. However, the 1960 Census of Population indicates that workers in the other service occupations included in this bulletin have approximately the same educational level as the traditional group.

# MDTA TRAINING IN SERVICE OCCUPATIONS

Between August 1962, when funds were first appropriated for MDTA training, and May 1965, approximately 65,000 workers, nearly all of whom were previously unemployed, were enrolled in training for service occupations under the various kinds of MDTA training projects. Although the number trained in service occupations is impressive, the most valuable result of this part of the MDTA training program, as well as the total program, may be the knowledge gained of what can be done and how to proceed on a comprehensive program for manpower development at many different skill and educational levels.

A majority of the trainees in service occupations who were enrolled between August 1962 and May 1965, were in institutional training projects in which the entire class was learning the same occupation. Substantial numbers were also enrolled in so-called multioccupational institutional projects. Trainees in these projects receive interest and aptitude tests, intensive counseling, literacy training, and other assistance if needed, before they are assigned to training in one of the range of occupations encompassed by the project.

More than 30 percent of all MDTA institutional trainees have been enrolled in service occupations. Five of the service and service-related occupations—licensed practical nurse, nurse aide and orderly, automobile mechanic, automobile-body repairman, and restaurant cook—were among the 10 occupations with the highest enrollment under the institutional program in 1964.[6]

The MDTA on-the-job training program combines work under regular industrial conditions with instruction at the plant or an approved vocational training facility. Prior to 1965, the on-the-job training program was quite small, accounting for only one-ninth of the trainees in all types of MDTA programs. The obstacles to the inclusion of unemployed workers in on-the-job training programs are compounded in the service occupations by both the nature and organization of the industries in which service workers are employed and the characteristics of the service work force. As a result, only 15 percent of the trainees in on-the-job training projects approved through May 1965 were to be trained in service occupations, and intensive and prolonged efforts have been required to improve this record. These efforts are now beginning to bear fruit, as discussed in detail in the section on on-the-job training.

Service occupations have also been prominent in the training given under experimental and demonstration projects, although these projects account for only a small proportion of all MDTA trainees.

## Institutional Training

More than 60,000 persons were enrolled in MDTA institutional projects for training in service occupations through May 1965. (See table 1.) The stepped up tempo of MDTA training has been reflected in increased enrollment in these occupations. About 20 percent of all service trainees have been enrolled since the end of February 1965.

The subsequent employment experience of the service occupation trainees, like that of all MDTA trainees, shows the value of training in the process of matching workers and jobs. Three-fourths of the service trainees enrolled in classes completed by the end of May 1965 finished their courses.

[6] See *Manpower Research and Training Under the Manpower Development and Training Act of 1962* (Washington: U.S. Department of Labor, March 1965), pp. 24–28.

794–713—66——2

TABLE 1. ENROLLMENT IN MDTA INSTITUTIONAL SERVICE TRAINING PROJECTS, BY SEX, AUGUST 1962–MAY 1965

| Occupation | Number of enrollees | | | Percent distribution | | |
|---|---|---|---|---|---|---|
| | Total | Men | Women | Total | Men | Women |
| Total | 60,148 | 34,435 | 25,713 | 100.0 | 100.0 | 100.0 |
| Private household | 1,182 | 122 | 1,060 | 2.0 | .4 | 4.1 |
| Service, except private household | 58,966 | 34,313 | 24,653 | 98.0 | 99.6 | 95.9 |
| Cook | 3,776 | 2,688 | 1,088 | 6.3 | 7.8 | 4.2 |
| Housekeeper and steward | 421 | 309 | 112 | .7 | .9 | .4 |
| Practical nurse, licensed | 9,369 | 530 | 8,839 | 15.6 | 1.5 | 34.4 |
| Attendant, hospital [1] | 12,370 | 1,951 | 10,419 | 20.6 | 5.7 | 40.5 |
| Nurse aide/orderly | 11,103 | 1,549 | 9,554 | 18.5 | 4.5 | 37.2 |
| Waiter and waitress | 2,372 | 451 | 1,921 | 3.9 | 1.3 | 7.5 |
| Janitor | 1,483 | 1,444 | 39 | 2.5 | 4.2 | .2 |
| Attendant, automobile-service-station | 2,289 | 2,281 | 8 | 3.8 | 6.6 | (*) |
| Automotive service [1] | 10,860 | 10,851 | 9 | 18.1 | 31.5 | (*) |
| Auto mechanic | 5,487 | 5,468 | 19 | 9.1 | 15.9 | .1 |
| Auto-body repairman | 847 | 844 | 3 | 1.4 | 2.5 | (*) |
| Gardener and park caretaker | 608 | 69 | 539 | 1.0 | .2 | 2.1 |
| Laundry and dry cleaning operative | 6,103 | 6,037 | 66 | 10.1 | 17.5 | .3 |
| Serviceman and repairman [1] | 2,835 | 2,830 | 5 | 4.7 | 8.2 | (*) |
| Serviceman, household appliance | 886 | 865 | 1 | 1.5 | 2.5 | (*) |
| Serviceman, television | 1,012 | 1,009 | 3 | 1.7 | 2.9 | (*) |
| Repairman, sewing machine | 2,694 | 1,103 | 1,591 | 4.5 | 3.2 | 6.2 |
| Other [3] | | | | | | |

[1] Detail does not add to totals because only the largest occupations, in terms of trainees, are shown.
[2] Less than 0.05 percent.
[3] Includes porters, chambermaids, other food-service workers, and barber and beauty operators.

A somewhat smaller proportion of auto and appliance maintenance and repair trainees did so because job offers in these occupations are available even to persons not yet fully trained. Of all those who completed training, more than 73 percent were employed—for the most part in training-related occupations.

This fact is especially significant, since the average cost of training a service worker is lower than the average for all occupations and a higher proportion of the service trainees than of trainees generally are from disadvantaged groups such as nonwhites, the long-term unemployed, and workers with a low level of education. The job placement record of such trainees clearly demonstrates the power of training to compensate for personal disadvantage, particularly in occupations where manpower is scarce, as it is in many of the service and related fields. Moreover, most of the employed "graduates" were earning more than they did on the job they held before unemployment led them to enroll in the training course.

## Profile of MDTA Service Trainees

As is characteristic of the institutional training program in general, the MDTA program for service training was especially effective for young people with little work experience and the long-term unemployed, but was less effective for older workers and workers with limited education. In view of the wide range of skill levels in service occupations, it is particularly significant that disadvantaged trainees were enrolled in courses for all the levels of service occupations. The sex of the unemployed worker appeared to be the most important influence on the occupation for which training was given, but age and education were also associated with variations in the occupational distribution.

Almost three-fifths of those enrolled for service training in institutional projects were men. (See table 2.) This is roughly one-third more than the proportion of men in service employment. The difference may be attributed to the MDTA emphasis on training mature unemployed workers who normally are heads of families, and to the usual employment patterns in the occupations for which training has been offered under MDTA. About half of the men enrolled in service training were in courses related to automobile servicing, repair, and parking; many of the others were being prepared for other machine servicing jobs. Three-fourths of the women trainees in the services were being trained as licensed practical nurses or hospital attendants.

More than half of the service trainees were between the ages of 22 and 45, and one-third were under 22. Only 11 percent were 45 years old or over. Although significant changes in the pattern of occupational training can be attributed to age differentials, it should be noted that the occupations for which training was most frequently given tend to be the same in each age category. (See table 3.) For example, among men, automobile-service training was the most important single category for all the age groups. However, the proportion among older men, those 45 years of age and over, was only half that of the younger men. In contrast, the proportion of older men in training for service and repair jobs—second in importance for all men—exceeded that of younger workers. Larger proportions of older men were also trained as janitors, restaurant cooks, gardeners, and hospital attendants. Among older women, fewer received training as waitresses and more as domestic workers and restaurant cooks.

TABLE 2. SELECTED CHARACTERISTICS OF ENROLLEES IN MDTA INSTITUTIONAL SERVICE TRAINING PROJECTS, AUGUST 1962–MAY 1965

| Characteristics | Percent |
|---|---|
| Sex | 100.0 |
| Men | 57.3 |
| Women | 42.7 |
| Color | 100.0 |
| White | 66.2 |
| Nonwhite | 33.8 |
| Age | 100.0 |
| Under 22 years | 33.1 |
| 22 to 44 years | 55.4 |
| 45 years and over | 11.5 |
| Years of school completed | 100.0 |
| Less than 8 | 6.1 |
| 8 | 10.3 |
| 9–11 | 38.0 |
| 12 | 40.8 |
| Over 12 | 4.8 |
| Status prior to enrollment | 100.0 |
| Unemployed: | |
| Less than 5 weeks | 27.4 |
| 5 to 14 weeks | 22.9 |
| 15 to 26 weeks | 13.1 |
| 27 weeks and over | 28.8 |
| Other[1] | 7.8 |

[1] Includes underemployed, family farm workers, and re-entrants to the labor force.

The prevalence of arbitrary hiring policies based on age[7] makes it difficult to accommodate adequate numbers of older trainees, in view of the Manpower Development and Training Act's requirement that training be given in occupations where there is a reasonable expectation of employment. However, there is strong evidence of the employability of older workers in the service

[7] See *The Older American Worker: Age Discrimination in Employment, Research Materials*, Report of the Secretary of Labor under Section 715 of the Civil Rights Act, June 1965, especially the section on hiring practices.

TABLE 3. ENROLLEES IN MDTA INSTITUTIONAL SERVICE TRAINING PROJECTS, BY OCCUPATION FOR WHICH TRAINED, SEX, AND AGE, AUGUST 1962–MAY 1965

[Percent distribution]

| Occupation | Men | | | Women | | |
|---|---|---|---|---|---|---|
| | Under 22 years | 22 to 44 years | 45 years and over | Under 22 years | 22 to 44 years | 45 years and over |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Private household | .5 | .2 | .6 | 2.9 | 4.0 | 7.2 |
| Service, except private household | 99.5 | 99.8 | 99.4 | 97.1 | 96.0 | 92.8 |
| Cook | 6.7 | 7.8 | 11.7 | 3.5 | 3.9 | 7.0 |
| Housekeeper and steward | .2 | 1.2 | 1.5 | .2 | .5 | .5 |
| Practical nurse, licensed | 1.1 | 2.0 | .8 | 25.1 | 39.9 | 33.4 |
| Attendant, hospital | 6.0 | 5.3 | 6.5 | 46.7 | 36.9 | 41.2 |
| Waiter and waitress | 1.2 | 1.4 | 1.1 | 11.8 | 6.0 | 3.9 |
| Janitor | 4.1 | 3.0 | 11.7 | (1) | .2 | .2 |
| Attendant, automobile-service-station | 10.5 | 4.6 | 4.3 | .1 | (1) | 0 |
| Automotive service | 51.9 | 49.7 | 26.0 | .1 | .1 | .1 |
| Gardener and park caretaker | 2.5 | 1.8 | 6.1 | (1) | 0 | (1) |
| Laundry and dry cleaning operative | .2 | .2 | .1 | 1.5 | 2.8 | .6 |
| Serviceman and repairman | 11.7 | 20.0 | 24.4 | .1 | .3 | .3 |
| Other | 3.5 | 2.7 | 5.1 | 8.0 | 5.3 | 5.5 |

[1] Less than 0.05 percent.

Note: Detail may not add to totals due to rounding.

category, in which they constitute more than 40 percent of all employed workers. Nevertheless, difficulties in placing workers age 45 and over have held down their proportion among MDTA service trainees to less than half their proportion among the unemployed. It is evident that a program which opens up job opportunities for older workers must precede an expansion of service training under MDTA. To this end, the Department of Labor is engaged in a continuing campaign to overcome age discrimination in employment. Since 1963, a series of demonstration projects designed to fit the specific training and employment needs of older workers has been in effect, but a great deal more needs to be done.

Nonwhite workers, on the other hand, represent a somewhat larger proportion of MDTA service trainees than of all unemployed—one-third and one-fifth, respectively. Nonwhites constituted more than a third of all female trainees enrolled in all service occupations combined and in each of the three largest occupational groups—licensed practical nurse, hospital attendant, and waitress. About half of all nonwhite male trainees enrolled in service training projects were being trained as automotive servicemen and nonautomotive service and repairmen and about one-tenth as cooks.

The effectiveness of MDTA institutional training programs in enrolling the long-term unemployed is also evident among service trainees. More than 40 percent of these trainees had been

TABLE 4. EMPLOYMENT EXPERIENCE OF ENROLLEES COMPLETING MDTA INSTITUTIONAL SERVICE TRAINING, AUGUST 1962–MAY 1965

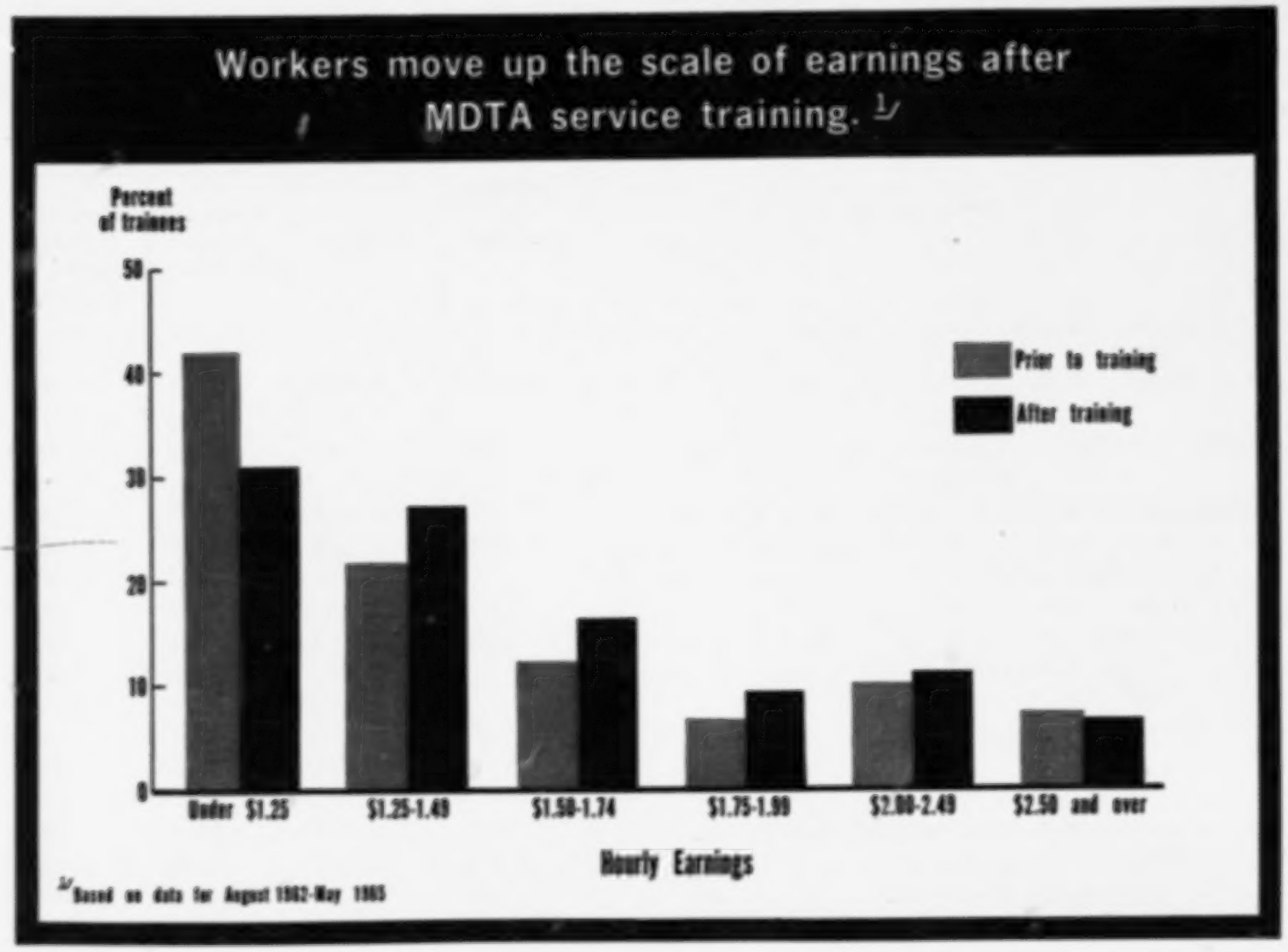
| Occupation | Number completing [1] | Employed | | |
|---|---|---|---|---|
| | | Number | Percent of those completing | Percent in jobs related to training |
| Total | 13,172 | 9,632 | 73.1 | 76.1 |
| Private household | 275 | 141 | 51.3 | 81.6 |
| Service, except private household | 12,897 | 9,491 | 73.6 | 76.0 |
| Cook | 599 | 425 | 71.0 | 69.4 |
| Housekeeper and steward | 47 | 35 | 74.5 | 82.9 |
| Practical nurse, licensed | 1,853 | 1,453 | 78.4 | 89.0 |
| Attendant, hospital [2] | 4,663 | 3,363 | 72.1 | 88.9 |
| Nurse aide/orderly | 4,333 | 3,068 | 71.2 | 88.6 |
| Waiter and waitress | 525 | 300 | 57.1 | 70.0 |
| Janitor | 340 | 231 | 67.9 | 78.8 |
| Attendant, automobile-service-station | 359 | 247 | 68.8 | 56.3 |
| Automotive service [2] | 2,615 | 2,171 | 83.0 | 68.0 |
| Automobile mechanic | 1,736 | 1,437 | 82.8 | 68.9 |
| Auto-body repairman | 821 | 687 | 83.7 | 66.8 |
| Gardener and park caretaker | 206 | 116 | 56.3 | 54.3 |
| Laundry and dry cleaning operative | 133 | 75 | 56.4 | 64.0 |
| Serviceman and repairman [2] | 1,074 | 819 | 76.3 | 58.7 |
| Serviceman, household appliance | 576 | 451 | 78.3 | 54.3 |
| Serviceman, television | 124 | 79 | 63.7 | 62.0 |
| Repairman, sewing machine | 228 | 179 | 78.5 | 70.4 |
| Other | 483 | 256 | 53.0 | 75.8 |

[1] Persons whose employment status was reported as unemployment to end of training.

[2] Detail does not add to totals because only the largest occupations, in terms of trainees, are shown.

seeking work 15 weeks or longer, more than 1½ times the proportion of those seeking work the same length of time among all unemployed workers.

The level of educational attainment among service trainees has been somewhat lower than that of all MDTA trainees. Nearly one-fifth of the service trainees have never gone to high school. In the MDTA institutional program as a whole, the comparable figure is less than one-sixth. More than one-third of the trainees who have received basic education under the 1963 amendments have been enrolled in service projects, although, as already indicated, service trainees comprise slightly less than 30 percent of all trainees. Now that the 1965 amendments have extended the maximum period during which allowances may be paid from 72 to 104 weeks, efforts are being made by the Department of Labor to draw more unemployed who lack basic education into service training programs.




## The Benefits of Service Training

Because the duration of training in the traditional service occupations is typically shorter than for most other occupations, average expenditures per trainee are lower than those for other kinds of institutional training under MDTA. The length of training, of course, depends upon the occupation and the specific skill requirements to be met, as well as the trainees' knowledge and experience. For nurse aide and orderly, a major focus of service training, the courses have commonly lasted less than 10 weeks.

Not only is service training for the most part economical, but the record of placement following training has been surprisingly good in view of the increasing orientation of the MDTA program toward providing training opportunities for the least employable. Three out of four service trainees complete training. At the time of followup studies, approximately three-fourths of the "graduates" were employed, most of them in jobs related to their training.[8] (See table 4, page 7.) Employment after training has been highest for those trained as automobile mechanics and body repairmen, licensed practical nurses, and appliance service and repairmen. But the placement rate has also been high for hospital attendants, cooks, and automobile-service attendants.

Training has brought a general upward movement in the trainees' earnings. (See chart.) The improvement was evident in the higher proportions of trainees earning between $1.25 and $2 an hour, as compared with their earning in employment prior to training. The greatest improvement was experienced by those trained as automo-

[8] For about the first 2 years of the MDTA program, the data on employment were based primarily on public employment service records of initial placements within 120 days after completion of training. Since that time, a new system has provided followup reports at periods of 3 months, 6 months, and 1 year after the completion of training.

bile mechanics, auto-body repairmen, and household appliance servicemen. Since most of these workers are employed in "entry" jobs, as explained previously, they also have the potential for further improvement in earnings as they gain actual work experience.

## On-the-Job Training

The number of trainees enrolled in on-the-job (OJT) training in the service occupations was exceedingly limited through 1964, despite efforts to broaden the program. However, on-the-job training has been given in almost every service occupation with a concentration of training for jobs as cooks, hospital attendants, appliance servicemen and repairmen, and building service workers. The characteristics of OJT trainees have differed somewhat from those of institutional trainees, with OJT projects including more nonwhite workers and more older workers, but fewer women and fewer long-term unemployed.

The employment record of OJT trainees is somewhat better than that of institutional trainees, and the average cost of on-the-job training is considerably less than even the modest cost of institutional training. More than four-fifths of the OJT trainees were employed after completing their training, for the most part by the employer in whose establishment the training was conducted. The improvement in earnings is less marked, however, for OJT trainees than for those persons completing institutional service training.

A major expansion in on-the-job training for service occupations has taken place since February 1965, paced by the negotiation of three large training contracts. One of these, with the Hospital Research and Educational Trust of the American Hospital Association for the training of 4,000 persons in 300 hospitals across the country, is the largest potential on-the-job training program on record.

The second has an even larger ultimate potential, since it is part of the auto industry's plan for a 10-year training program which will furnish an additional half million mechanics to service the ever-growing number of cars on the road. The initial contract, with the Chrysler Corporation, provides for the training of 1,000 auto mechanics and auto-body repairmen in the shops of Chrysler's franchised dealers in 22 cities. The contract will cover the first year of a 3-year apprenticeship program, with three-fourths of the apprentices selected from the ranks of the unemployed. Chrysler is to pay over 80 percent of the first year's costs, with MDTA funds of $1.4 million covering the remainder. Men enrolled in the program will receive standard apprentice wage rates for all hours spent in productive work. Periodic renegotiation of the contract to provide for the training of new enrollees is anticipated.

The third is a national contract with the Journeymen Barbers, Hairdressers, Cosmetologists and Proprietors' International Union of America to train 3,000 barbers in hairstyling. This contract is an example of union cooperation in a program to upgrade worker skills and qualify them for a more rapidly growing field of employment.

Among the other important contracts which have recently been negotiated are those with the Institute of Industrial Launderers and with the Diaper Service Industry Association to provide for a total of 1,000 on-the-job training opportunities for mentally handicapped persons, who often encounter very serious difficulties in obtaining such opportunities.

In addition, experimental and demonstration projects aimed at solving the problems of the hard-core unemployed groups are utilizing on-the-job training in service occupations. In one of these projects, the Golden Age Employment Service in Atlanta plans to refer 100 older workers for on-the-job training primarily in service jobs.

# RELATED APPROACHES TO SERVICE JOB DEVELOPMENT

Training under the MDTA—whether in institutional projects or on-the-job training—is but one of the avenues to job development. The committee responsible for implementing the President's Job Development Program is co-chaired by the Secretary of Labor and the Secretary of Commerce, and is composed of 10 departments or agencies that are participating in efforts to reach the goal of 10,000 new jobs a month. Large employers, trade associations, and local governments are also being involved in the development of employment opportunities, in providing on-the-job training, and in bringing together vacancies and jobless workers. It is estimated that the program is close to being on target. As of December 1, 1965—only 10 months after the President announced the program—a potential of almost 100,000 new jobs has been developed and most of those jobs are in service occupations.

Research on the number and character of the job needs in the services and related fields is being pursued. For example, a National Committee on Household Employment, established by volunteer organizations at the request of the Department of Labor, is surveying the areas of household service. Its purpose is to determine employer needs, promote improved wages and working conditions, and encourage training in domestic employment, perhaps for jobs organized quite differently from present practices.

The Department of Labor is also conducting conferences of public officials who are in a position to stimulate job development programs. It is, in addition, continuing to work with local and national trade associations to provide on-the-job training, especially for service workers.

Community sponsored Small Business Development Centers, promoted by the Small Business Administration, are spearheading local efforts to create more service job opportunities. The centers will also screen applicants for loans to the self-employed under both the Economic Opportunity Act and the Small Business Administration's program. Management assistance will be given to qualified applicants who wish to establish or expand small businesses. Many of these businesses are of a service character.

# FUTURE DEMAND FOR SERVICE WORKERS

The Job Development Program will be an instrument for helping to satisfy unmet service employment needs. If the new programs succeed in stimulating development of able personnel to provide services now often foregone because they are not readily available or are performed poorly, employment growth may well exceed the stated goals. The availability of competent service personnel may, in other words, evoke latent demands for services.

The continuation of past trends alone implies very rapid growth in service employment. The Department of Labor has estimated that service employment, in the traditional sense, will increase about two-fifths between 1965 and 1975.[9] This is about the same growth rate expected for professional and related workers and higher than projections for any other major occupational group. As in the past decade and a half, most of the rise is forecast in service jobs outside private households. The inclusion of certain mechanics and repairmen suggests a slightly lower growth rate for the service and related occupations covered in this bulletin, because of the somewhat slower growth that is expected for blue-collar occupations.

The anticipated growth in service occupation employment is consistent with the general upward trend of employment in our economy and the influence of specific demographic and social developments. Increased urbanization and the rise in income and leisure time made possible by steadily increasing productivity has created an enormous demand for services. A majority of this country's workers are already employed in meeting these demands—involving professional, sales, clerical, and service occupations.

Additional sources of demand for service workers arise from the increased numbers of married women in the labor force who add to the need for restaurant and various types of household services, and from the continued formation of new households with their many types of service requirements for facilities and appliances. Further, greater longevity and the provision of medical care for the aged, especially under the 1965 amendments to the Social Security Act, will also be factors increasing the demand for hospital personnel, since home care for the aged ill is tending to become less common in our society. Finally, another source of growth in service jobs is related to the shortages of professional workers in service industries. The redesign of professional workers' jobs to permit other workers to perform the less technical and exacting tasks has already begun, notably in hospital nursing. Further redesign is anticipated, with a concomitant growth in service job opportunities.

Thus, the continuation of recent and emerging trends would open up hundreds of thousands of job opportunities for licensed practical nurses, hospital attendants, repairmen, restaurant workers, and other service workers.

Whether the projected levels of employment in particular occupations will actually materialize depends to some extent on the relative status in the job hierarchy which prospective workers assign to those occupations and their assessment of their own qualifications. Currently, some service jobs appear to have little prestige and afford scant satisfaction to their incumbents, although others seem to attract new workers readily. Most of the latter are attractive because they afford a comfortable living. However, even the low-wage service occupations have a special appeal for some workers, particularly those for whom the only alternative is an automated, impersonal job. Many service occupations involve personal contact, and few are completely routinized.

A most immediate condition for encouraging service employment is improvement of substand-

[9] See "Manpower Needs in 1975, Part II, Detailed Projections of Occupational Requirements in the Next Decade," *Monthly Labor Review*, April 1965, pp. 378–383.

ard wages and working conditions which are deterring entry into some service occupations and promoting high turnover rates. Recommendations have been made by the Administration for the extension of the Fair Labor Standards Act to cover many service workers now excluded from the protection of the Federal minimum wage.

Training under MDTA is also working to improve this situation. Productivity in the services, to a greater extent than in production work, depends upon the worker's personal efficiency. Training is thus a means of raising both productivity and wages. Programs to provide increasing numbers of trained workers can be expected to help industries that employ service workers to recognize the potential for increased employee efficiency and the value of organized preparation for such work.

THE LIBRARY OF
SEP 29 1967
CONTINUING EDUCATION

# CONCLUSIONS

The MDTA program is virtually the only feasible source of formal training in service occupations for many unemployed workers. A majority of service workers, like workers in other occupations, learn their jobs through informal on-the-job instruction. Those who have formal training typically obtain it in high schools, special vocational schools, the Armed Forces, apprenticeships, or employer training schools.[10] These ordinary channels are foreclosed to the young unemployed person who has dropped out of high school and especially to the unemployed adult with limited education.

For the young person unable to find his way into employment, training for a service job under MDTA may offer a beginner's niche in the working world. For an older person displaced from a very different type of job, retraining in a service occupation may well furnish the only escape from long-term unemployment. For unskilled men, the long-term relative decline in blue-collar jobs—despite recent employment gains here—may require a shift to the rapidly growing service sector. For rural workers migrating to a city but unprepared for industrial jobs, competence in a service occupation acquired through training may mean a rise in status and employability. Moreover, the successful utilization of workers of limited education in the services reinforces the conclusion that unemployed persons with little education can be trained in service jobs and brought back into the labor force as useful workers.

Although the MDTA program in the service area is as yet hardly more than a pilot effort, when measured against prospective employment needs, the training already provided to thousands of disadvantaged unemployed persons has enabled many of them to return to productive employment at higher rates of pay than they previously commanded. Thus the economic and social as well as the individual costs of unemployment are reduced. The MDTA program can make an even greater contribution in this area with the longer training period permitted under the 1965 amendments to the act.

[10] *Formal Occupational Training of Adult Workers* (Washington: U.S. Department of Labor, Manpower Administration, Office of Manpower, Automation and Training, 1964), Manpower/Automation Research Monograph No. 2.



U.S. GOVERNMENT PRINTING OFFICE: 1966 O—794-713

# WHERE TO GET MORE INFORMATION

Copies of this publication or additional information on manpower programs and activies may be obtained from the U.S. Department of Labor's Manpower Administration in Washington, D.C. Publications on manpower are also available from the Departmer's Regional Information Offices at the addresses listed below.

18 Oliver Street, Boston, Massachusetts 02110
341 Ninth Avenue, New York, New York 10001
Wolf Avenue and Commerce Street, Chambersburg, Pennsylvania 17201
Ninth and Chestnut Streets, Philadelphia, Pennsylvania 19107
1371 Peachtree Street, NE., Atlanta, Georgia 30309
51 SW. First Avenue, Miami, Florida 33130
801 Broad Street, Nashville, Tennessee 37203
1365 Ontario Street, Cleveland, Ohio 44114
219 South Dearborn Street, Chicago, Illinois 60604
911 Walnut Street, Kansas City, Missouri 64106
1114 Commerce Street, Dallas, Texas 75202
300 North Los Angeles Street, Los Angeles, California 90012
450 Golden Gate Avenue, San Francisco, California 94102
506 Second Avenue, Seattle, Washington 98104

THE LIBRARY OF
OCT 26 1967
CONTINUING EDUCATION